

Consolidated Financial Results For the Fiscal Year Ended March 31, 2024

Prepared in Conformity with Generally Accepted Accounting Principles in Japan

English Translation from the Original Japanese-Language Document



May 10, 2024

Company Name : **Mazda Motor Corporation** (Tokyo Stock Exchange / Code No. 7261)
 URL : <https://www.mazda.com/>
 Representative Person : Masahiro Moro, Representative Director and President
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 Phone 082-282-1111
 General Meeting of the Shareholders : Scheduled for June 25, 2024
 Payment of Dividends : Scheduled for June 26, 2024
 Filing of *Yuka Shoken Hokokusho*, annual securities report : Scheduled for June 26, 2024
 Supplementary Material : Yes
 Briefing Session : Yes (Intended for securities analysts, institutional investors and media)

(In Japanese yen rounded to millions, except amounts per share)

1. Consolidated Financial Highlights (April 1, 2023 through March 31, 2024)

(1) Consolidated Financial Results

(Percentage indicates change from the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Net Income Attributable to Owners of the Parent	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
FY2024	4,827,662	26.2	250,503	76.4	320,120	72.2	207,696	45.4
FY2023	3,826,752	22.6	141,969	36.2	185,936	50.5	142,814	75.1

Note: Comprehensive income
FY2024 332,132 millions of yen (100.7 %)
FY2023 165,465 millions of yen (27.5 %)

	Net Income Per Share	Net Income Per Share (Diluted)	Return on Equity	Ordinary Income to Total Assets	Operating Income to Sales
	yen	yen	%	%	%
FY2024	329.65	329.38	13.1	9.1	5.2
FY2023	226.71	226.52	10.4	6.0	3.7

Reference: Equity in net income of affiliates (for the fiscal years ended March 31)
FY2024 8,808 millions of yen
FY2023 15,777 millions of yen

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	millions of yen	millions of yen	%	yen
As of Mar. 31, 2024	3,791,768	1,757,378	45.8	2,757.74
As of Mar. 31, 2023	3,259,251	1,456,801	44.2	2,285.21

Reference: Net assets excluding non-controlling interests and stock acquisition rights
FY2024 1,737,585 millions of yen
FY2023 1,439,598 millions of yen

(3) Consolidated Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Ending Cash & Cash Equivalents
	millions of yen	millions of yen	millions of yen	millions of yen
FY2024	418,895	(179,889)	(84,704)	919,265
FY2023	137,424	(99,427)	(89,863)	717,093

2. Dividends

	Dividends per Share					Total Amount of Annual Dividends	Dividends Payout Ratio (Consolidated)	Ratio of Dividends to Net Assets (Consolidated)
	1st.Qtr.	2nd.Qtr.	3rd.Qtr.	Year-End	Full Year			
	yen	yen	yen	yen	yen	millions of yen	%	%
FY2023	-	20.00	-	25.00	45.00	28,349	19.8	2.1
FY2024	-	25.00	-	35.00	60.00	37,805	18.2	2.4
FY2025 (Forecast)	-	25.00	-	-	-	-	-	-

Note 1: Breakdown of year-end dividend for the fiscal year ended March 31, 2024: ordinary dividend 30 yen; special dividend 5 yen

Note 2: The year-end dividend forecast for the fiscal year ending March 31, 2025 is to be determined.

3. Consolidated Financial Forecast (April 1, 2024 through March 31, 2025)

(Percentage indicates change from the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Net Income Attributable to Owners of the Parent		Net Income Per Share
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	yen
FY2025 Full Year	5,350,000	10.8	270,000	7.8	220,000	(31.3)	150,000	(27.8)	238.07

*Notes

(1) Changes in Significant Subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation):

Newly added subsidiaries: None Excluded subsidiaries: None

(2) Changes in accounting policies / Changes in accounting estimates / Restatement:

1) Changes in accounting policies with accompanying revision of accounting standards None
 2) Voluntary changes in accounting policies except 1) None
 3) Changes in accounting estimates None
 4) Restatement None

(3) Number of outstanding shares (Common stock)

1) Outstanding shares at period-end (including treasury stock) **As of March 31, 2024** **631,803,979** shares
 As of March 31, 2023 631,803,979 shares
 2) Treasury stock at period-end **As of March 31, 2024** **1,728,394** shares
 As of March 31, 2023 1,841,110 shares
 3) Average number of outstanding shares during the period **Year ended March 31, 2024** **630,052,693** shares
 Year ended March 31, 2023 629,950,225 shares

(Reference)

Unconsolidated Financial Highlights (April 1, 2023 through March 31, 2024)

(1) Unconsolidated Financial Results

(Percentage indicates change from the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
FY2024	3,636,113	21.2	132,302	171.0	226,555	120.8	137,731	53.4
FY2023	3,000,360	28.3	48,828	(30.1)	102,591	(21.1)	89,771	6.2

	Net Income Per Share	Net Income Per Share (Diluted)
	yen	yen
FY2024	218.60	218.42
FY2023	142.50	142.38

(2) Unconsolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets Per Share
	millions of yen	millions of yen	%	yen
As of Mar. 31, 2024	2,718,102	1,280,920	47.1	2,032.19
As of Mar. 31, 2023	2,467,387	1,118,720	45.3	1,775.08

Reference: Net Assets excluding stock acquisition rights (as of **FY2024** **1,280,449** millions of yen
 March 31) **FY2023** 1,118,245 millions of yen

This document is out of the scope of audit by certified public accountants or accounting auditor.

Cautionary Statements with Respect to Forward-Looking Statements and Other Notes

The financial forecast and other descriptions of the future presented in this document are an outlook based on our judgments and projections. The judgments and projections are based on information presently available. As such, the financial forecast and future descriptions are subject to uncertainties and risks, and are not contemplated to ensure the fulfillment thereof. Accordingly, the actual financial performance may vary significantly due to various factors. For detail such as precondition of the financial forecast, please refer to "1.Overview of Financial Results, etc. - (4) Financial Forecast" on page 4 of the attachment.

Attachment

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Financial Summary (Consolidated) For the Fiscal Year Ended March 2024

Financial Summary (Unconsolidated) For the Fiscal Year Ended March 2024

1. Overview of Financial Results, etc.

(1) Overview of Financial Results

In the business environment surrounding the Mazda Group in the fiscal year ended March 31, 2024, the global economy as a whole showed signs of recovery as economic activities returned to normal following the end of the COVID-19 pandemic. Nevertheless, the outlook continued to remain uncertain due to the prolonged Russia-Ukraine crisis, the outbreak of conflicts in the Middle East, and concerns about an economic slowdown amid global financial tightening.

Under these conditions, we faced various logistics constraints including a shortage of vessels, congestion at unloading ports, and longer transportation periods due to rerouting. To secure profits in this environment, in addition to introducing a range of Large Product lineup, we implemented various measures to strengthen sales such as shifting product destinations to markets where sales are strong and reviewing our model mix, sales prices, and equipment. At the same time, we worked to improve management efficiency by increasing investment efficiency and inventory turnover. In addition, we have been promoting initiatives such as electrification to realize our 2030 management policy. In November last year, we established Electrification Business Division (e-Mazda for short) to accelerate the shift of resources to the electrification business. We are steadily working toward the introduction of our first battery electric vehicle with a dedicated battery electric vehicle platform in 2027.

In terms of products, during the consolidated fiscal year ended March 31, 2024, we commenced sales of the Mazda CX-90 in North America in April 2023 and later in other parts of the world. In November of the same year, we released the Mazda MX-30 Rotary-EV in Japan. At the Japan Mobility Show 2023 in October last year, we unveiled the Mazda Iconic SP, a compact sports car concept designed to adapt to a new era. This model features Mazda's unique two-rotor rotary-EV system, which remains compact and thus offers a high degree of layout flexibility, enabling the concept model to have a low center of gravity that enhances driving performance.

Mazda will redouble its efforts to further cultivate people's love of cars through human-centered research and development and unique brand experiences, and will win the support of customers by continuing to evolve Mazda's signature driving pleasure through technology that is in tune with the times and the creation of exciting moving experiences.

[Global sales]

Global sales volume for the fiscal year was 1,241 thousand units, up 11.8% year on year. In addition to strong performance in the United States, growth in vehicle sales was driven by Large Products, the newly introduced CX-90 and the Mazda CX-50, which is manufactured at the Alabama plant in the U.S.

<Japan>

Sales declined 2.8% year on year to 160 thousand units amid increasingly intense competition, particularly for crossover SUVs. The improved Roadster, a product upgrade model, introduced in January this year, has been performing well.

<North America>

In the United States, sales were driven by the newly introduced CX-90 and the CX-50, following an increase in production volume with the start of two-shift operations at the Alabama plant, resulting in a 24.6% record-high growth in sales to 375 thousand units. Performance in North America as a whole was also strong, with a 26.4% year-on-year growth in sales to 514 thousand units, thanks to robust sales in Canada and Mexico.

<Europe>

Increased sales in major markets such as Germany and the UK boosted sales in Europe by 12.6% year on year to 180 thousand units. By model, the Mazda CX-60 and Mazda CX-30 in particular contributed to the increase in sales.

<China>

Sales of the Mazda3, Mazda CX-5, and newly introduced CX-50 contributed to an increase in sales volume, resulting in a 14.7% increase year on year to 97 thousand units.

<Other markets>

In Australia, one of Mazda's major markets, the newly introduced CX-60, the CX-3 and CX-30 contributed to an increase in sales, resulting in an 8.0% year-on-year growth to 98 thousand units. In other markets as a whole, however, overall sales declined 1.7% year on year to 289 thousand units due to a contraction in sales in Thailand and other ASEAN markets.

[Consolidated financial results]

Financial performance on a consolidated basis for the fiscal year ended March 31, 2024 was as follows.

(In billion yen)

	FY2023	FY2024	vs. Prior Year	
	Full Year	Full Year	Amount	Rate
Net sales	3,826.8	4,827.7	1,000.9	26.2%
Operating income	142.0	250.5	108.5	76.4%
Ordinary income	185.9	320.1	134.2	72.2%
Net income attributable to owners of the parent	142.8	207.7	64.9	45.4%

And, operating income changes were as follows.

(In billion yen)

	Full Year
Volume & mix	125.2
Exchange rate	53.5
Raw material, logistics costs, etc.	(11.2)
Cost improvement	24.8
Fixed costs and others	(83.8)
Total	108.5

Financial results by segment were as follows.

(In billion yen)

		FY2023	FY2024	vs. Prior Year	
		Full Year	Full Year	Amount	Rate
Net sales	Japan	3,194.8	3,868.0	673.2	21.1%
	North America	2,044.0	2,983.2	939.1	45.9%
	Europe	665.9	926.7	260.8	39.2%
	Other	656.1	732.6	76.5	11.7%
Operating income	Japan	71.3	152.2	80.9	113.4%
	North America	38.1	87.6	49.6	130.2%
	Europe	14.9	20.3	5.4	35.9%
	Other	26.7	26.9	0.2	0.6%

(2) Overview of Financial Position

As of March 31, 2024, total assets increased ¥532.5 billion from the end of the previous fiscal year, to ¥3,791.8 billion. Total liabilities increased ¥231.9 billion from the end of the previous fiscal year to ¥2,034.4 billion.

Net assets as of March 31, 2024 increased ¥300.6 billion from the end of the previous fiscal year to ¥1,757.4 billion, reflecting net income attributable to owners of the parent of ¥207.7 billion and others. Equity ratio increased 1.6 percentage points from the end of the previous fiscal year to 45.8% (Percentage after consideration of the equity credit attributes of the subordinated loan was 46.7%).

(3) Overview of Cash Flows

Cash and cash equivalent as of March 31, 2024 increased ¥202.2 billion from the end of the previous fiscal year to ¥919.3 billion. Interest-bearing debt as of March 31, 2024 decreased ¥47.7 billion from the end of previous fiscal year to ¥567.8 billion. As a result, we are in a net cash position of ¥351.5 billion.

Cash flows for the fiscal year ended March 31, 2024 by activities were as follows.

Cash flows from operating activities

Net cash provided by operating activities was ¥418.9 billion, mainly reflecting income before income taxes of ¥298.3 billion, additionally a decrease in inventories, etc. (For the previous fiscal year, net cash provided by operating activities was ¥137.4 billion.)

Cash flows from investing activities

Net cash used in investing activities was ¥179.9 billion, mainly reflecting capital expenditure for the purchase of property, plant and equipment and loans receivable. (For the previous fiscal year, net cash used in investing activities was ¥99.4 billion.)

As a result, consolidated free cash flow (net of operating and investing activities) was positive ¥239.0 billion. (For the previous fiscal year, consolidated free cash flow was positive ¥38.0 billion.)

Cash flows from financing activities

Net cash used in financing activities was ¥84.7 billion, mainly reflecting the repayments of long-term loans payable. (For the previous fiscal year, net cash used in financing activities was ¥89.9 billion.)

(4) Financial Forecast

For the next fiscal year ending March 31 2025, we are targeting further top-line growth. In terms of sales, we expect an increase in unit sales, mainly driven by four Large Products that are globally available. In terms of the consolidated business forecast, operating income is expected to reach a new record high as a result of a further volume growth, especially of Large products, and an improvement in variable profit per unit.

The forecast for consolidated business performance and global sales volume for the next fiscal year is as follows.

Consolidated Financial Forecast (April 1, 2024 through March 31, 2025)

	Full Year		vs. Prior Year
Net sales	5,350.0 billion yen		10.8 %
Operating income	270.0 billion yen		7.8 %
Ordinary income	220.0 billion yen		(31.3) %
Net income attributable to owners of the parent	150.0 billion yen		(27.8) %
Exchange rate			
USD	143 Yen		(2) Yen
EUR	155 Yen		(2) Yen

Global Retail Volume Forecast (April 1, 2024 through March 31, 2025)

	Full Year		vs. Prior Year
Japan	180 thousand units		12.5 %
North America	600 thousand units		16.7 %
Europe	183 thousand units		1.5 %
China	98 thousand units		1.2 %
Other	339 thousand units		17.1 %
Total	1,400 thousand units		12.8 %

Note: The forecast stated above is based on management's judgment and views in light of information presently available. By nature, such forecasts are subject to risks and uncertainties, and are not contemplated to ensure the fulfillment thereof. Therefore, we advise against making an investment decision by solely relying on this forecast. Variables that could affect the actual financial results include, but are not limited to, the economic environments surrounding our business areas and fluctuations in exchange rates.

(5) Basic Dividend Policy, Dividends for March 2024 and March 2025 Fiscal Years

Mazda's policy regarding the stock dividend is to determine the amount of dividend payments, taking into account current fiscal year's financial results, business environment, and financial condition, etc. And Mazda is striving for realization of a stable shareholder returns and its future steady increase.

For the fiscal year ended March 31, 2024, we plan to pay a dividend of 60 yen per share (an interim dividend of 25 yen and a year-end dividend of 35 yen (ordinary dividend of 30 yen and special dividend of 5 yen)).

As for the dividend forecast for the next fiscal year ending March 31, 2025, the interim dividend will be 25 yen per share and the year-end dividend to be determined. We are going to promptly announce the dividend forecast as soon as it is determined, taking into account the progress of future business performance and other factors.

2. Basic Rationale for the Selection of Accounting Standards

We are considering to apply International Financial Reporting Standards (IFRS) in the future, in order to enhance the international comparability of our financial information, quality of Group management and corporate governance. In regard to the timing of IFRS application, we will examine it observing the trend of the adoption among Japanese companies as well as the domestic and overseas economic situations, etc.

3. Consolidated Financial Statements and Major Footnotes

(1) Consolidated Balance Sheets

(Millions of Yen)

As of	FY2023 March 31, 2023	FY2024 March 31, 2024
ASSETS		
Current Assets:		
Cash and deposits	628,098	818,563
Trade notes and accounts receivable	166,921	163,426
Securities	89,000	104,000
Inventories	670,904	680,452
Other	170,814	228,155
Allowance for doubtful receivables	(1,573)	(1,567)
Total current assets	1,724,164	1,993,029
Non-current Assets:		
Property, plant and equipment:		
Buildings and structures (net)	200,542	205,336
Machinery, equipment and vehicles (net)	378,913	405,095
Tools, furniture and fixtures (net)	78,496	71,833
Land	419,419	419,653
Leased assets (net)	25,289	24,498
Construction in progress	61,947	66,460
Total property, plant and equipment	1,164,606	1,192,875
Intangible assets:		
Software	52,158	60,284
Other	2,456	2,443
Total intangible assets	54,614	62,727
Investments and other assets:		
Investment securities	214,895	304,378
Long-term loans receivable	313	18,592
Asset for retirement benefits	12,289	96,107
Deferred tax assets	51,011	55,989
Other	37,642	68,350
Allowance for doubtful receivables	(283)	(279)
Total investments and other assets	315,867	543,137
Total non-current assets	1,535,087	1,798,739
Total Assets	3,259,251	3,791,768

(Millions of Yen)

As of	FY2023 March 31, 2023	FY2024 March 31, 2024
LIABILITIES		
Current Liabilities:		
Trade notes and accounts payable	480,975	435,290
Short-term loans payable	1,460	30,304
Bonds due within one year	-	20,000
Long-term loans payable due within one year	199,579	94,238
Lease obligations	6,847	7,231
Income taxes payable	18,212	79,079
Other accounts payable	46,566	52,842
Accrued expenses	274,964	403,325
Reserve for warranty expenses	108,895	156,383
Other	123,722	126,925
Total current liabilities	1,261,220	1,405,617
Non-current liabilities:		
Bonds	50,000	45,000
Long-term loans payable	345,340	359,122
Lease obligations	20,869	19,894
Deferred tax liability related to land revaluation	64,434	64,345
Provision related to environmental regulations	14,533	29,505
Liability for retirement benefits	18,238	67,594
Other	27,816	43,313
Total non-current liabilities	541,230	628,773
Total Liabilities	1,802,450	2,034,390
NET ASSETS		
Capital and Retained Earnings:		
Common stock	283,957	283,957
Capital surplus	263,035	263,007
Retained earnings	699,231	875,629
Treasury stock	(1,995)	(1,873)
Total capital and retained earnings	1,244,228	1,420,720
Accumulated Other Comprehensive Income/(Loss):		
Net unrealized gain/(loss) on available-for-sale securities	20,243	77,407
Deferred gains/(losses) on hedges	(68)	135
Land revaluation	145,302	145,099
Foreign currency translation adjustment	14,184	55,394
Accumulated adjustments for retirement benefits	15,709	38,830
Total accumulated other comprehensive income/(loss)	195,370	316,865
Stock Acquisition Rights	475	471
Non-controlling Interests	16,728	19,322
Total Net Assets	1,456,801	1,757,378
Total Liabilities and Net Assets	3,259,251	3,791,768

(2) Consolidated Statements of Operations and Comprehensive Income
Consolidated Statements of Operations

(Millions of Yen)

	For the years ended	
	FY2023 March 31, 2023	FY2024 March 31, 2024
Net sales	3,826,752	4,827,662
Cost of sales	3,025,230	3,788,978
Gross profit	801,522	1,038,684
Selling, general and administrative expenses	659,553	788,181
Operating income	141,969	250,503
Non-operating income		
Interest income	10,603	21,413
Dividend income	2,566	3,435
Rental income	1,701	1,720
Equity in net income of affiliated companies	15,777	8,808
Foreign exchange gain	25,952	54,181
Other	5,209	5,543
Total	61,808	95,100
Non-operating expenses		
Interest expense	8,483	7,838
Loss on transfer of receivables	2,349	10,416
Burden charge payment	2,106	-
Other	4,903	7,229
Total	17,841	25,483
Ordinary income	185,936	320,120
Extraordinary income		
Gain on sales of property, plant and equipment	136	217
Compensation for the exercise of eminent domain	271	1
Reversal of provision for environmental measures	54	-
Other	-	14
Total	461	232
Extraordinary losses		
Loss on sales and retirement of property, plant and equipment	5,094	15,420
Impairment loss	296	5,787
Loss on liquidation of subsidiaries and affiliates	10,953	-
Other	82	822
Total	16,425	22,029
Income before income taxes	169,972	298,323
Income taxes		
Current	44,523	109,860
Deferred	(18,790)	(20,953)
Total	25,733	88,907
Net income	144,239	209,416
Net income attributable to Non-controlling interests	1,425	1,720
Net income attributable to owners of the parent	142,814	207,696

Consolidated Statements of Comprehensive Income

(Millions of Yen)

For the years ended	FY2023 March 31, 2023	FY2024 March 31, 2024
Net income	144,239	209,416
Other comprehensive income/(loss)		
Net unrealized gain/(loss) on available-for-sale securities	(9,466)	57,145
Deferred gains/(losses) on hedges	1,241	164
Foreign currency translation adjustment	14,371	35,503
Adjustments for retirement benefits	8,639	22,942
Share of other comprehensive income/(loss) of affiliates accounted for using equity method	6,441	6,962
Total	21,226	122,716
Comprehensive income	165,465	332,132
Comprehensive income/(loss) attributable to:		
Owners of the parent	163,596	329,394
Non-controlling interests	1,869	2,738

(3) Consolidated Statements of Changes in Net Assets

(For the Year Ended March 31, 2023)

	Capital and Retained Earnings					Accumulated Other Comprehensive Income/(Loss)	
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total	Net unrealized gain/(loss) on available-for-sale securities	Deferred gains/(losses) on hedges
	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen
Balance at April 1, 2022	283,957	263,003	581,458	(2,100)	1,126,318	29,707	(1,314)
Changes during the period:							
Dividends paid			(25,197)		(25,197)		
Net income attributable to owners of the parent			142,814		142,814		
Purchase of treasury stock				(2)	(2)		
Sale of treasury stock		(29)		107	78		
Change of scope of consolidation			(78)		(78)		
Reversal for land revaluation			234		234		
Change in ownership interest of parent arising from transactions with non-controlling shareholders		61			61		
Changes in items other than capital and retained earnings, net						(9,464)	1,246
Total changes during the period	-	32	117,773	105	117,910	(9,464)	1,246
Balance at March 31, 2023	283,957	263,035	699,231	(1,995)	1,244,228	20,243	(68)

	Accumulated Other Comprehensive Income/(Loss)				Stock Acquisition Rights	Non-controlling Interests	Total Net Assets
	Land revaluation	Foreign currency translation adjustment	Accumulated adjustments for retirement benefits	Total			
	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen
Balance at April 1, 2022	145,536	(6,162)	7,055	174,822	440	15,117	1,316,697
Changes during the period:							
Dividends paid							(25,197)
Net income attributable to owners of the parent							142,814
Purchase of treasury stock							(2)
Sale of treasury stock							78
Change of scope of consolidation							(78)
Reversal for land revaluation							234
Change in ownership interest of parent arising from transactions with non-controlling shareholders							61
Changes in items other than capital and retained earnings, net	(234)	20,346	8,654	20,548	35	1,611	22,194
Total changes during the period	(234)	20,346	8,654	20,548	35	1,611	140,104
Balance at March 31, 2023	145,302	14,184	15,709	195,370	475	16,728	1,456,801

(For the Year Ended March 31, 2024)

	Capital and Retained Earnings					Accumulated Other Comprehensive Income/(Loss)	
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total	Net unrealized gain/(loss) on available-for-sale securities	Deferred gains/(losses) on hedges
	Milyen	Milyen	Milyen	Milyen	Milyen	Milyen	Milyen
Balance at April 1, 2023	283,957	263,035	699,231	(1,995)	1,244,228	20,243	(68)
Changes during the period:							
Dividends paid			(31,501)		(31,501)		
Net income attributable to owners of the parent			207,696		207,696		
Purchase of treasury stock				(2)	(2)		
Sale of treasury stock		(28)		124	96		
Change of scope of consolidation					-		
Reversal for land revaluation			203		203		
Change in ownership interest of parent arising from transactions with non-controlling shareholders					-		
Changes in items other than capital and retained earnings, net						57,164	203
Total changes during the period	-	(28)	176,398	122	176,492	57,164	203
Balance at March 31, 2024	283,957	263,007	875,629	(1,873)	1,420,720	77,407	135

	Accumulated Other Comprehensive Income/(Loss)				Stock Acquisition Rights	Non-controlling Interests	Total Net Assets
	Land revaluation	Foreign currency translation adjustment	Accumulated adjustments for retirement benefits	Total			
	Milyen	Milyen	Milyen	Milyen	Milyen	Milyen	Milyen
Balance at April 1, 2023	145,302	14,184	15,709	195,370	475	16,728	1,456,801
Changes during the period:							
Dividends paid							(31,501)
Net income attributable to owners of the parent							207,696
Purchase of treasury stock							(2)
Sale of treasury stock							96
Change of scope of consolidation							-
Reversal for land revaluation							203
Change in ownership interest of parent arising from transactions with non-controlling shareholders							-
Changes in items other than capital and retained earnings, net	(203)	41,210	23,121	121,495	(4)	2,594	124,085
Total changes during the period	(203)	41,210	23,121	121,495	(4)	2,594	300,577
Balance at March 31, 2024	145,099	55,394	38,830	316,865	471	19,322	1,757,378

(4) Consolidated Statements of Cash Flows

(Millions of Yen)

For the years ended	FY2023 March 31, 2023	FY2024 March 31, 2024
Cash flows from operating activities:		
Income before income taxes	169,972	298,323
Adjustments to reconcile income before income taxes to net cash provided by/(used in) operating activities:		
Depreciation and amortization	105,950	113,348
Impairment loss	296	5,787
Increase/(decrease) in allowance for doubtful receivables	(4,688)	(165)
Increase/(decrease) in reserve for warranty expenses	21,999	44,778
Increase/(decrease) in provision for loss on compensation for damage	(11,100)	(161)
Increase/(decrease) in provision related to environmental regulations	14,533	14,850
Net changes in asset and liability for retirement benefits	(7,251)	(6,136)
Interest and dividend income	(13,169)	(24,848)
Interest expense	8,483	7,838
Equity in net loss/(income) of affiliated companies	(15,777)	(8,808)
Loss/(gain) on sales and retirement of property, plant and equipment	4,687	15,202
Loss on liquidation of subsidiaries and affiliates	10,953	-
Decrease/(increase) in trade notes and accounts receivable	(17,509)	13,439
Decrease/(increase) in inventories	(258,052)	42,764
Decrease/(increase) in other current assets	(5,222)	(4,761)
Increase/(decrease) in trade notes and accounts payable	127,833	(62,823)
Increase/(decrease) in other current liabilities	54,634	84,807
Other	(42,065)	(85,171)
Subtotal	144,507	448,263
Interest and dividends received	20,755	30,708
Interest paid	(8,112)	(7,448)
Income taxes refunded/(paid)	(19,726)	(52,628)
Net cash provided by/(used in) operating activities	137,424	418,895
Cash flows from investing activities:		
Net decrease/(increase) in time deposits	-	(3,252)
Purchase of investment securities	(3,124)	(3,868)
Proceeds from sales and redemption of investment securities	433	151
Purchase of property, plant and equipment	(79,787)	(92,742)
Proceeds from sales of property, plant and equipment	822	1,118
Purchase of intangible assets	(19,341)	(22,501)
Net decrease/(increase) in short-term loans receivable	(2)	(32,892)
Payments of long-term loans receivable	(19)	(25,325)
Collections of long-term loans receivable	98	31
Other	1,493	(609)
Net cash provided by/(used in) investing activities	(99,427)	(179,889)

(Millions of Yen)

For the years ended	FY2023 March 31, 2023	FY2024 March 31, 2024
Cash flows from financing activities:		
Net increase/(decrease) in short-term loans payable	(74)	29,441
Proceeds from long-term loans payable	4,802	108,000
Repayments of long-term loans payable	(63,546)	(199,577)
Proceeds from issuance of bonds	-	14,937
Proceeds from sale and leaseback transactions	145	93
Repayments of lease obligations	(5,872)	(6,047)
Cash dividends paid	(25,197)	(31,501)
Cash dividends paid to non-controlling interests	(197)	(144)
Net decrease/(increase) in treasury stock	76	94
Net cash provided by/(used in) financing activities	(89,863)	(84,704)
Effect of exchange rate fluctuations on cash and cash equivalents	28,884	47,870
Net increase/(decrease) in cash and cash equivalents	(22,982)	202,172
Cash and cash equivalents at beginning of the period	740,385	717,093
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	(310)	-
Cash and cash equivalents at end of the period	717,093	919,265

(5) Footnotes to the Consolidated Financial Statements

(Note on the Assumptions as Going Concern)

Not applicable

(Changes in Presentation)

The future estimated costs of the quality-related expense of certain consolidated subsidiaries, which were included in “Accrued expenses” under “Current Liabilities” in the previous consolidated fiscal year, are included in “Reserve for warranty expenses” from the fiscal year ended March 31, 2024, from the perspective of a more realistic presentation. The consolidated financial statements for the previous fiscal year ended March 31, 2023 have been reclassified to reflect this revision.

As a result, “Accrued expenses” under “Current Liabilities” of ¥23,248 million presented in the consolidated balance sheet for the previous fiscal year has been reclassified as “Reserve for warranty expenses.”

(Segment Information)

1) Overview of Reportable Segments

The reportable segments of Mazda Group consist of business components for which separate financial statements are available. The reportable segments are the subject of periodical review by board of directors' meetings for the purpose of making decisions on the distribution of corporate resources and evaluating business performance.

Mazda Group is primarily engaged in the manufacture and sale of automobiles. Businesses in Japan are managed by Mazda Motor Corporation. Businesses in North America are managed by Mazda Motor of America, Inc. and Mazda Motor Corporation. And businesses in Europe regions are managed by Mazda Motor Europe GmbH and Mazda Motor Corporation. Areas other than Japan, North America and Europe are defined as Other areas, regarding it as one management unit. Business deployment in countries in Other areas are managed in an integrated manner by Mazda Motor Corporation.

Accordingly, Mazda Group consists of regional segments based on a system of managing production and sale. As such, Japan, North America, Europe and Other areas are designated as four reportable segments.

2) Measurement of Sales, Income or Loss, Assets, and Other Items by Reportable Segments

The accounting treatment of reportable segments is the same as that used for the preparation of Consolidated Financial Statements. In addition, inter-segment sales or transfer are based on the current market price.

3) Sales, Income or Loss, Assets, and Other Items by Reportable Segments

(For the fiscal year ended March 31, 2023)

(Millions of Yen)

Year Ended March 31, 2023	Reportable Segments					Adjustment (Note 1)	Consolidated (Note 2)
	Japan	North America	Europe	Other areas	Total		
Net sales:							
Outside customers	953,929	1,636,023	635,349	601,451	3,826,752	-	3,826,752
Inter-segment sales or transfer	2,240,913	408,020	30,571	54,639	2,734,143	(2,734,143)	-
Total	3,194,842	2,044,043	665,920	656,090	6,560,895	(2,734,143)	3,826,752
Segment income	71,331	38,061	14,920	26,728	151,040	(9,071)	141,969
Segment assets	2,552,277	671,464	267,657	372,176	3,863,574	(604,323)	3,259,251
Other items							
Depreciation and amortization	59,784	34,846	4,808	6,512	105,950	-	105,950
Investments in affiliated companies on the equity method	33,558	-	-	91,769	125,327	-	125,327
Increase in property, plant and equipment and intangible assets	80,141	10,375	1,195	2,428	94,139	-	94,139

Notes: 1. Notes on Adjustment:

(1) The adjustment on segment income is eliminations of inter-segment transactions.

(2) The adjustment on segment assets is mainly eliminations of inter-segment receivables and payables.

2. The segment income is reconciled with the operating income in the consolidated statement of operations for the fiscal year ended March 31, 2023.

The segment assets are reconciled with the total assets in the consolidated balance sheet as of March 31, 2023.

(For the fiscal year ended March 31, 2024)

(Millions of Yen)

Year Ended March 31, 2024	Reportable Segments					Adjustment (Note 1)	Consolidated (Note 2)
	Japan	North America	Europe	Other areas	Total		
Net sales:							
Outside customers	942,619	2,342,380	887,650	655,013	4,827,662	-	4,827,662
Inter-segment sales or transfer	2,925,430	640,795	39,039	77,614	3,682,878	(3,682,878)	-
Total	3,868,049	2,983,175	926,689	732,627	8,510,540	(3,682,878)	4,827,662
Segment income	152,188	87,618	20,273	26,882	286,961	(36,458)	250,503
Segment assets	2,880,242	817,324	351,486	387,741	4,436,793	(645,025)	3,791,768
Other items							
Depreciation and amortization	63,629	37,161	6,382	6,176	113,348	-	113,348
Investments in affiliated companies on the equity method	36,408	9,439	-	86,121	131,968	-	131,968
Increase in property, plant and equipment and intangible assets	102,808	15,071	1,229	2,235	121,343	-	121,343

Notes: 1. Notes on Adjustment:

(1) The adjustment on segment income is eliminations of inter-segment transactions.

(2) The adjustment on segment assets is mainly eliminations of inter-segment receivables and payables.

2. The segment income is reconciled with the operating income in the consolidated statement of operations for the fiscal year ended March 31, 2024.

The segment assets are reconciled with the total assets in the consolidated balance sheet as of March 31, 2024.

(Information on Amounts Per Share of Common Stock)

	FY2023 (April 1, 2022 to March 31, 2023)	FY2024 (April 1, 2023 to March 31, 2024)
Net assets per share of common stock (Yen)	2,285.21	2,757.74
Net income per share of common stock (Basic) (Yen)	226.71	329.65
Net income per share of common stock (Diluted) (Yen)	226.52	329.38

Note1: The calculation basis of Net income per share of common stock is as follows.

	FY2023 (April 1, 2022 to March 31, 2023)	FY2024 (April 1, 2023 to March 31, 2024)
Net income per share of common stock:		
Net income attributable to owners of the parent (Millions of Yen)	142,814	207,696
Amount not attribute to common stock shareholders (Millions of Yen)	-	-
Net income attributable to owners of the parent related to common stock (Millions of Yen)	142,814	207,696
Average number of shares outstanding during the period (Thousands of shares)	629,950	630,052
Diluted net income per share of common stock		
Net income adjustment attributable to parent company shareholder (Millions of Yen)	-	-
Increase in common stock (Thousands of shares)	530	521
(of which Stock Acquisition Rights (Thousands of shares))	(530)	(521)
Overview of potentially dilutive common stock not included in the calculation of diluted net income per share because the stock have no dilution effect	-	-

Note2: The calculation basis of Net assets per share of common stock is as follows.

	FY2023 (As of March 31, 2023)	FY2024 (As of March 31, 2024)
Total Net assets (Millions of Yen)	1,456,801	1,757,378
Amount deducted from total Net assets (Millions of Yen)	17,203	19,793
(of which Stock Acquisition Rights (Millions of Yen))	(475)	(471)
(of which Non-controlling Interests (Millions of Yen))	(16,728)	(19,322)
Net assets related to common stock (Millions of Yen)	1,439,598	1,737,585
Number of common stock used in the calculation of net assets per share (Thousands of shares)	629,962	630,075

(Significant Subsequent Events)

Not applicable.

4. Unconsolidated Financial Statements and Major Footnotes

(1) Unconsolidated Balance Sheets

(Millions of Yen)

As of	FY2023 March 31, 2023	FY2024 March 31, 2024
ASSETS		
Current Assets:		
Cash and deposits	375,500	496,807
Accounts receivable - Trade	363,469	341,548
Securities	89,000	104,000
Finished products	69,899	71,324
Work in process	108,616	99,845
Raw materials and supplies	13,965	11,894
Prepaid expenses	7,506	7,999
Accounts receivable - Other	52,466	49,105
Short-term loans receivable	137,007	102,332
Other	49,485	55,993
Allowance for doubtful receivables	(279)	(159)
Total current assets	1,266,634	1,340,688
Non-current Assets:		
Property, plant and equipment:		
Buildings	92,599	94,968
Structures	14,953	15,420
Machinery and equipment	231,442	250,827
Vehicles	4,940	5,949
Tools, furniture and fixtures	21,838	25,194
Land	296,661	296,264
Leased assets	3,303	4,461
Construction in progress	55,962	56,549
Total property, plant and equipment	721,698	749,632
Intangible assets:		
Software	47,732	55,471
Leased assets	1	1
Total intangible assets	47,733	55,472
Investments and other assets:		
Investment securities	84,964	165,122
Stocks of subsidiaries and affiliates	247,928	249,034
Investments in capital of subsidiaries and affiliates	40,766	40,766
Long-term loans receivable from subsidiaries and affiliates	5,958	22,755
Long-term prepaid expenses	19,044	34,513
Prepaid pension cost	-	44,864
Deferred tax assets	28,540	-
Other	4,122	15,256
Total investments and other assets	431,322	572,310
Total non-current assets	1,200,753	1,377,414
Total Assets	2,467,387	2,718,102

(Millions of Yen)

As of	FY2023 March 31, 2023	FY2024 March 31, 2024
LIABILITIES		
Current Liabilities:		
Accounts payable - Trade	365,729	328,681
Bonds due within one year	-	20,000
Long-term loans payable due within one year	198,000	93,500
Lease obligations	1,252	1,566
Accounts payable - Other	14,160	16,540
Accrued expenses	84,102	103,521
Income taxes payable	6,656	54,533
Deposit received	59,769	77,321
Reserve for warranty expenses	85,647	128,675
Forward exchange contracts	828	255
Other	5,053	5,851
Total current liabilities	821,196	830,443
Non-current Liabilities:		
Bonds	50,000	45,000
Long-term loans payable	343,500	358,000
Lease obligations	2,522	3,540
Deferred tax liability	-	3,937
Deferred tax liability related to land revaluation	64,434	64,345
Provision related to environmental regulations	13,792	28,049
Reserve for retirement benefits	21,196	61,807
Reserve for loss on business of subsidiaries and affiliates	19,532	20,697
Long-term guarantee deposited	5,777	6,186
Asset retirement obligations	3,976	3,777
Other	2,742	11,401
Total non-current liabilities	527,471	606,739
Total Liabilities	1,348,667	1,437,182
NET ASSETS		
Capital and Retained Earnings:		
Common stock	283,957	283,957
Capital surplus		
Capital reserve	193,847	193,847
Other capital surplus	73,757	73,729
Total capital surplus	267,604	267,576
Retained earnings		
Other earned surplus		
Unappropriated retained earnings	403,144	509,578
Total retained earnings	403,144	509,578
Treasury stock	(1,990)	(1,868)
Total capital and retained earnings	952,715	1,059,243
Valuation and Translation Adjustments:		
Net unrealized gain/(loss) on available-for-sale securities	20,368	76,083
Deferred gains/(losses) on hedges	(140)	24
Land revaluation	145,302	145,099
Total valuation and translation adjustments	165,530	221,206
Stock Acquisition Rights	475	471
Total Net Assets	1,118,720	1,280,920
Total Liabilities and Net Assets	2,467,387	2,718,102

(2) Unconsolidated Statements of Operations

(Millions of Yen)

	For the years ended	
	FY2023 March 31, 2023	FY2024 March 31, 2024
Net sales	3,000,360	3,636,113
Cost of sales	2,579,670	3,066,966
Gross profit	420,690	569,147
Selling, general and administrative expenses	371,862	436,845
Operating income	48,828	132,302
Non-operating income		
Interest income	8,665	17,113
Interest income of securities	10	22
Dividends income	21,148	26,501
Rental income	4,331	4,305
Foreign exchange gain	27,113	52,068
Other	917	1,885
Total	62,184	101,894
Non-operating expenses		
Interest expense	4,122	4,988
Interest paid on bonds	166	174
Other	4,133	2,479
Total	8,421	7,641
Ordinary income	102,591	226,555
Extraordinary income		
Gain on sales of property, plant and equipment	10	14
Gain on reversal of reserve for loss on business of subsidiaries and affiliates	1,111	-
Other	54	-
Total	1,175	14
Extraordinary losses		
Loss on sales of property, plant and equipment	255	5
Loss on retirement of property, plant and equipment	4,359	14,774
Impairment loss	217	5,683
Reserve for loss on business of subsidiaries and affiliates	10,215	-
Loss on liquidation of subsidiaries and affiliates	-	2,098
Other	67	675
Total	15,113	23,235
Income before income taxes	88,653	203,334
Income taxes		
Current	8,585	57,692
Deferred	(9,703)	7,911
Total	(1,118)	65,603
Net income	89,771	137,731

(3) Unconsolidated Statements of Changes in Net Assets

(For the Year Ended March 31, 2023)

	Capital and Retained Earnings					
	Common stock	Capital surplus		Retained earnings	Treasury stock	Total Capital and Retained earnings
		Capital reserve	Other capital surplus	Other earned surplus Unappropriated retained earnings		
	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen
Balance at April 1, 2022	283,957	193,847	73,786	338,335	(2,095)	887,830
Changes during the period:						
Dividends paid				(25,197)		(25,197)
Net income				89,771		89,771
Purchase of treasury stock					(2)	(2)
Sale of treasury stock			(29)		107	78
Reversal for land revaluation				234		234
Changes in items other than capital and retained earnings, net						
Total changes during the period	-	-	(29)	64,809	105	64,885
Balance at March 31, 2023	283,957	193,847	73,757	403,144	(1,990)	952,715

	Valuation and Translation Adjustments				Stock Acquisition Rights	Total Net Assets
	Net unrealized gain/(loss) on available-for-sale securities	Deferred gains/(losses) on hedges	Land revaluation	Total valuation and translation adjustments		
	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen
Balance at April 1, 2022	29,793	(1,381)	145,536	173,948	440	1,062,218
Changes during the period:						
Dividends paid						(25,197)
Net income						89,771
Purchase of treasury stock						(2)
Sale of treasury stock						78
Reversal for land revaluation						234
Changes in items other than capital and retained earnings, net	(9,425)	1,241	(234)	(8,418)	35	(8,383)
Total changes during the period	(9,425)	1,241	(234)	(8,418)	35	56,502
Balance at March 31, 2023	20,368	(140)	145,302	165,530	475	1,118,720

(For the Year Ended March 31, 2024)

	Capital and Retained Earnings					
	Common stock	Capital surplus		Retained earnings	Treasury stock	Total Capital and Retained earnings
		Capital reserve	Other capital surplus	Other earned surplus Unappropriated retained earnings		
	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen
Balance at April 1, 2023	283,957	193,847	73,757	403,144	(1,990)	952,715
Changes during the period:						
Dividends paid				(31,501)		(31,501)
Net income				137,731		137,731
Purchase of treasury stock					(2)	(2)
Sale of treasury stock			(28)		124	96
Reversal for land revaluation				204		204
Changes in items other than capital and retained earnings, net						
Total changes during the period	-	-	(28)	106,434	122	106,528
Balance at March 31, 2024	283,957	193,847	73,729	509,578	(1,868)	1,059,243

	Valuation and Translation Adjustments				Stock Acquisition Rights	Total Net Assets
	Net unrealized gain/(loss) on available-for-sale securities	Deferred gains/(losses) on hedges	Land revaluation	Total valuation and translation adjustments		
	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen
Balance at April 1, 2023	20,368	(140)	145,302	165,530	475	1,118,720
Changes during the period:						
Dividends paid						(31,501)
Net income						137,731
Purchase of treasury stock						(2)
Sale of treasury stock						96
Reversal for land revaluation						204
Changes in items other than capital and retained earnings, net	55,715	164	(204)	55,675	(4)	55,671
Total changes during the period	55,715	164	(204)	55,675	(4)	162,199
Balance at March 31, 2024	76,083	24	145,099	221,206	471	1,280,920

(4) Footnotes to the Unconsolidated Financial Statements

(Note on the Assumptions as Going Concern)

Not applicable